

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT
OF MADISON COUNTY UTILITIES DISTRICT

) CASE NO.
) 2008-00207

ORDER

On June 10, 2008, Madison County Utilities District ("Madison County") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

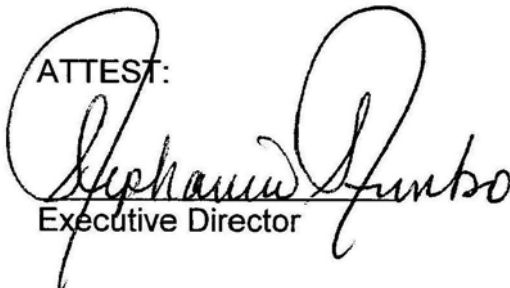
1. Madison County purchases water from Richmond Utilities ("Richmond").
2. Richmond notified Madison County that, effective with its July 1, 2008 billing, Richmond's wholesale rate to Madison County would increase from \$2.02 per 100 cubic feet to \$2.08 per 100 cubic feet.
3. During the 12-month period ending April 30, 2008, Madison County purchased 98,657,900 cubic feet of water from Richmond and sold 81,645,740 cubic feet of water. The increase in the cost of purchased water is \$59,194.74, resulting in a purchased water adjustment factor of \$0.07 per 100 cubic feet.
4. Madison County proposes a purchased water adjustment factor of \$0.07 per 100 cubic feet for its customers, effective July 1, 2008.
5. The purchased water adjustment factor of \$0.07 per 100 cubic feet is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Madison County's proposed rates are approved.
2. The purchased water adjustment factor of \$0.07 per 100 cubic feet as calculated in Appendix A is approved.
3. The rates set forth in Appendix B are fair, just, and reasonable and are approved for service that Madison County renders on or after July 1, 2008.
4. Within 20 days of the date of this Order, Madison County shall file with the Commission revised tariff sheets setting forth the rates approved herein.

Done at Frankfort, Kentucky, this 2nd day of July, 2008.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00207 DATED JULY 2, 2008

	New Rate	Base Rate
Richmond Utilities		
Purchases cu ft	98,657,900	98,657,900
Volumetric rate	<u>\$ 2.08/100</u>	<u>\$ 2.02/100</u>
	\$ 2,052,084	\$ 1,992,890

Increased water cost	\$ 59,194.74
Divided by cubic feet sold	<u>81,645,740</u>
Purchased water adjustment factor	\$ 0.07per 100 cubic feet

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00207 DATED JULY 2, 2008

The following rates and charges are prescribed for the customers in the area served by Madison County Utilities District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES

Monthly Water Rates

First	280 cubic feet	13.33 Minimum Bill
Next	720 cubic feet	4.17 per 100 cubic ft
Next	3,000 cubic feet	3.97 per 100 cubic ft
Over	8,000 cubic feet	3.80 per 100 cubic ft
Next	88,000 cubic feet	3.63 per 100 cubic ft
Over	100,000 cubic feet	3.36 per 100 cubic ft